



MPO Certification 2018: Financial Planning Overview

Recent Funding Initiatives

Rhode Island has recently taken some key steps to provide sustainable transportation infrastructure funding and broaden available resources:

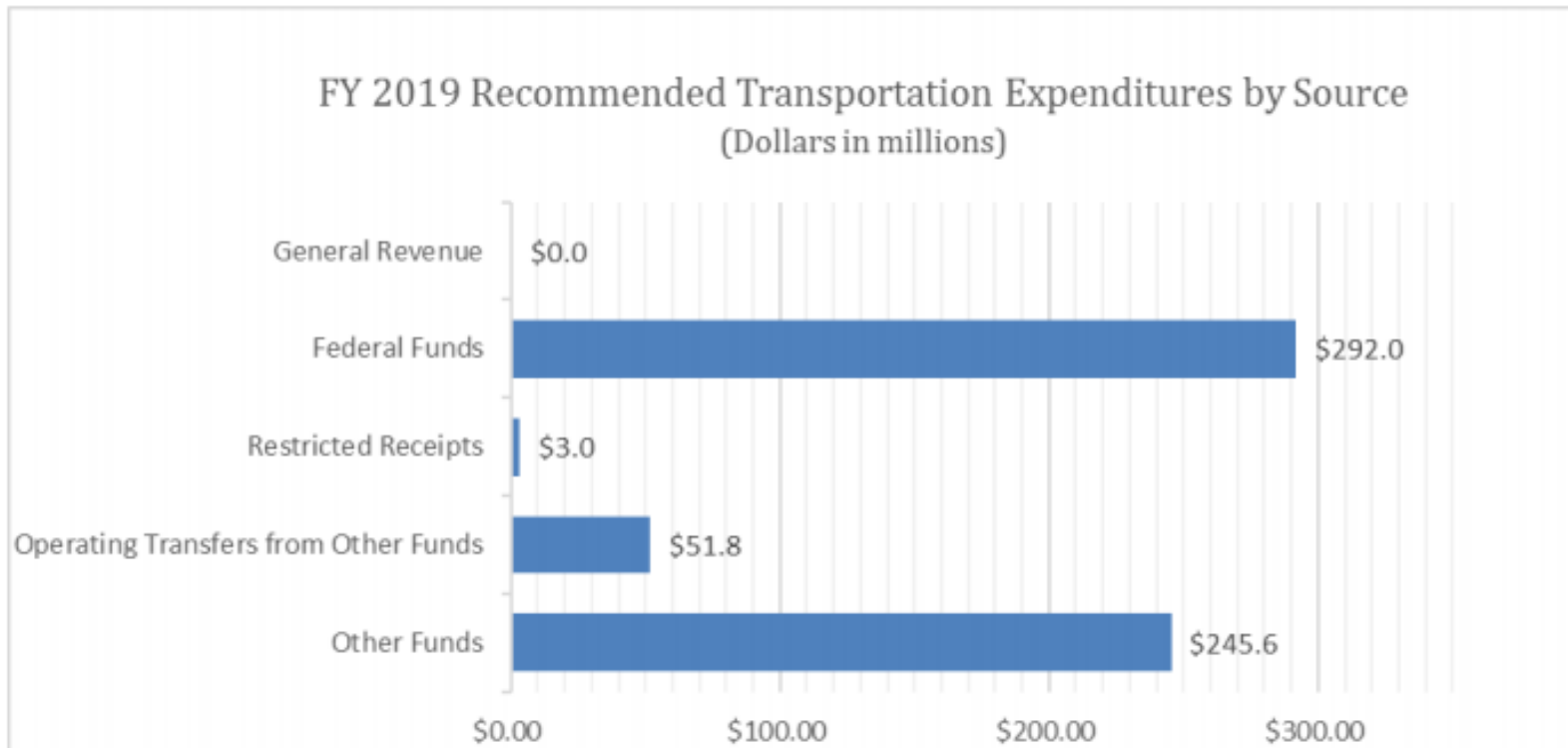
- Redirection of the gas tax to focus on transportation needs
- Replacement of biennial bond borrowing with an increase in registration and license fees, along with RI Capital Plan funds to provide State match for annual federal transportation program
- Refinancing of existing general obligation bonds to soften the anticipated sharp peak in debt service payments

Recent Funding Initiatives

- Creation of RI Highway Maintenance Account and a shift of future funding from transportation-related sources, such as registrations, title fees, gas tax indexing, etc., to establish a state-funded pool for critical transportation infrastructure projects
- Adoption of RhodeWorks by the RI General Assembly in February 2016:
 - Transportation infrastructure improvement funding plan that calls for the repair of the state's deteriorating bridges.
 - Funds projects in two ways: 1) borrows \$300 million against future federal highway funding and refinances old borrowing to yield an additional \$120 million and 2) imposes a new toll on large commercial trucks, expected to bring in \$45 million a year.

RIDOT Funding Sources

Proposed FY19 Budget:



Funding Sources

FY17 Gas Tax Allocation:

	Current Law Gasoline Tax Allocation (in cents)						
	Fiscal Year						
<u>Recipient</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
DOT	21.75 ³	21.75	21.75	18.25 ⁶	19.25 ⁷	19.25	19.25 ⁸
RIPTA ¹	9.75 ⁴	9.75	9.75	9.75	9.75	9.75	9.75
RITBA	0.0	0.0	0.0	3.5	3.5	3.5	3.5
General Fund ¹	0.0 ³	0.0	0.0	0.0	0.0	0.0	0.0
DHS/DEA	1.0 ⁵	1.0	1.0	1.0	1.0	1.0	1.0 ⁹
Underground Storage Tank-DEM	0.5 ²	0.5	0.5	0.5	0.5	0.5	0.5
Total:	33.0	33.0	33.0	33.0	34.0	34.0	34.0

Div. Of Planning Funding Sources

Sources of State match:

- Starting in FY18, the State will provide approximately half of its match from General Revenue and half from the State's gas tax
 - Will ensure a consistent funding stream

Fiscal Year	General Revenue	Gas Tax	Total
FY18	\$464,348	\$450,435	\$914,783
FY19	\$497,322	\$491,157	\$988,479

- For FY 2017, the Intermodal Surface Transportation Fund is supported by 32.5-cents of Rhode Island's 34.0-cent per gallon gasoline tax.

Metropolitan Transportation Plan

Revenue estimates:

- Cooperatively developed by State, MPO and public transit operator(s)
- Reflect existing revenues and historical trends
- Include reasonable public and private sources
- May include new funding sources supported by implementation plan
- Identifies estimated system level costs for operation and maintenance (O&M) of system

Cost estimates:

- Process for determination documented
- Reviewed and periodically updated
- Ranges or bands acceptable in the outer 10 years
- Balances and demonstrates consistency of existing and proposed revenue sources with all forecasted O&M and project costs
- Reflects Year of Expenditure (YOE) revenues and cost estimates
- In non-attainment and maintenance areas, addresses specific financial strategies to ensure implementation of required air quality projects

Transportation Improvement Program

- Financially constrained by year
- Accounts for costs of operating and maintaining the existing system
- Identifies projects that can be implemented with current revenue sources and which require proposed revenue sources

Includes:

- All Federally funded transportation projects
- All regionally significant non-federally funded projects
- Only projects (or phases of projects) if full funding reasonably expected to be available for entire project completion
- Only projects that have funds reasonably expected to be available for construction and operations
- Amount and category of Federal funds proposed to be obligated per program year
- Revenue estimates cooperatively developed by State, MPO and public transportation operator(s)

TIP, continued

- Revenue estimates include public and private sources that are reasonably expected to be available
- Revenue estimates may include strategies for ensuring availability of new funding sources
- Cost estimates should be reviewed and process documented
- Cost estimates should be reviewed periodically
- Identify total project cost that may extend beyond the years covered in the TIP
- Reflects Year of Expenditure (YOE) revenues and cost estimates
- In non-attainment and maintenance areas, includes in the first two years only projects for which funds are available or committed
- Gives priority to eligible Traffic Control Measures